GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2037
ANSWERED ON:04.03.2003
PHARMA MNCs
VINAY KUMAR SORAKE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government are aware that Pharma MNCs are miusing theexemption from price control meant for SSI units by transferring their scheduled formulations to SSI units;

(b) if so, the facts thereof;

(c) the role of National Pharmaceutical Pricing Authority in checking such misuseof exemption entitlements by the front-companies of MNCs operating as SSI units;

(d) whether the Government propose to consider repeal of registration granted to such SSIs operating as front-companies of the MNCs; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE FOR CHEMICALS & FERTILIZERS (DR. CHHATTRA PAL SINGH)

(a) to (e) : Under the provisions of the Drugs (Prices Control) Order,1995(DPCO,1995), read with notification No. SO 134(E) dated 2.3.1995, the Small Scale Industries units are exempted from seeking price approvals for non ceiling packs of Scheduled formulations from the Government/National PharmaceuticalPricing Authority(NPPA).This exemption, however, is available to SSI unitssubject to fulfilment of certain conditions specified in the above mentioned notification. On the basis of available information, appropriate action is taken by NPPA for the violation of the provisions of DPCO,1995 issued under the Essential Commodities Act,1955. It is an ongoing process.